

Rule 223. Expenditures and sales.

(a) Expenditures.

All expenditures from an estate by a conservator, committee or guardian, except court costs and those provided by statute, shall be made only upon prior authorization of the Court.

(b) Sale of property.

A conservator, committee or guardian shall not sell or otherwise dispose of estate property or encumber it without prior order of Court.

(c) Expenditures and sales for investment.

A fiduciary who is subject to the supervision of this Court shall obtain a Court order for all expenditures and sales for investment; however, such a fiduciary may apply for approval by the Court of an investment plan or program in accordance with Probate Rule 5 which, if approved by the Court, may be carried out without the necessity of Court approval of specific transactions; provided the same comply with the approved plan or program, and Probate Rule 203(f) shall not apply.

(d) Failure to comply.

Failure to comply with the provisions of this rule constitutes an irregularity or default. Such failure may result in personal liability and/or removal from office.

COMMENT:

A petition for approval of proposed expenditures or for approval of a proposed sale or other disposition of estate property may be submitted to the Court at any time and may request authority continuing beyond a specific accounting or annual period.

Reference should be made to Probate Rule 5 for guidance on the reinvestment of the proceeds of sale of property. Excluding investment in federally insured bank accounts and United States Treasury obligations, a Court order should be obtained to authorize such reinvestment if the proceeds are subject to Court supervision and such investment is not authorized by the terms of the governing instrument or by statute.

Reference should be made to Probate Rule 207 for the consequences of any failure to secure prior Court authorization for any expenditures of funds, sale of property or the reinvestment of funds, sale of property or the reinvestment of property.